

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MINUTES
MEETING OF DECEMBER 9, 2004**

At 5:35 p.m. Chairman Lee Panza called the meeting to order in the Fourth Floor Dining Room at the San Mateo Transit District Office.

Members Attending: Chairman Lee Panza, Vice-Chair Sue Lempert, Marc Hershman, Joe Silva, Mike King, and Deborah Wilder.

Staff/ Guests Attending: Richard Napier (C/CAG Executive Director), Brian Moura (City of San Carlos), David Burruto (Speaker Pro Tem Leland Yee's Office), Walter Martone (C/CAG Staff), Ross Nakasone (County Manager's Office), Rosalie O'Mahony (C/CAG Member).

1. Public comment on items not on the agenda.

- None

2. Minutes of the Meeting of November 11, 2004.

*Motion: To approve the minutes of November 11, 2004 as presented.
Lempert/Wilder, unanimous.*

3. Update from C/CAG's Lobbyist in Sacramento (via conference call).

Wes Lujan reported:

- The first week of December in the Legislature was mostly consumed with the swearing in of the new members and other organizational matters.
- This was also the first opportunity for Legislators to introduce new bills. Some of the bills already introduced or anticipated include:
 - A cap on city councilmember compensation of \$150 per month for each commission or committee under that jurisdictions (AB 11).
 - Various bills dealing with prevailing wage requirements.
 - A constitutional amendment to stop Proposition 42 funds from being used to balance the General Fund (ACA 4).
 - A constitutional amendment to limit public employees' pension benefits for new employees (ACA 5).
 - Creation of a split role property tax program in support of increased funding for schools (SB 17).
 - A constitutional amendment to reduce the voting threshold to impose special taxes to 55% (ACA 7).
- The deadline to submit bills to Legislative Council is the last week in January and bills must be introduced by February 20th. There is a 30-day waiting period before

the bills can be heard in policy committees. Therefore it is unlikely that any of the policy committees will hold meetings in January or February.

- Advocacy and C/CAG Staff are gearing up for a major push to pass legislation similar to ACA 10 from the last session.
- Senator Torlakson has indicated that he plans on promoting an Initiative similar to Proposition 1A to protect education funding.
- The Community Colleges are also looking to promote an Initiative to protect their funding.
- The auto manufacturers are challenging the Governor in a lawsuit over the greenhouse gas emissions bill that he signed into law.
- The budget deficit for next year is anticipated to approach \$10 billion. It is expected that this issue will eclipse all other legislation in the upcoming session.
- The energy crisis is expected to once again hit California. It is anticipated that natural gas prices will spike and that there will be insufficient hydroelectric generation to meet the demand.

David Burruto from Assembly Speaker Pro Tem Leland Yee's Office reported:

- Mr. Burruto provided a copy of the Legislative Analyst's Office budget outlook. It shows that some revenues are up, but gambling revenues are down. They are projecting a budget deficit of over \$10 billion.
- The Governor may have to consider Statewide development and infrastructure fees and increased fees on ports and goods movement, as measures to close the budget shortfall.
- Negotiations are continuing on how to pay for the Bay Bridge cost overruns. The Los Angeles Port is also seeking an additional \$8 from the State for infrastructure improvements. If the State assists the LA Port, this may provide some Bay Area leverage to get the State to pay more of the cost of the Bay Bridge.
- There may be another attempt to shift the cost of support the courts to the cities.
- Redevelopment funds may also become a target this year to divert to the budget deficit.

4. Review and approval of Legislative score sheet for Advocacy and Legislators.

This item was held over for one month.

5. Review and approval of the C/CAG Board State Legislative Priorities for the 2005 State Legislative Session.

This item was continued from the November 11, 2004 meeting. The various suggestions and comments made at that time were incorporated into the new draft that was included with the packet for the December 9th meeting. The following additional input was provided. Please note that the numbering of the Objectives does not imply an order of priority unless specifically noted:

- a. Objective 1 – The 4th strategy was reworded to state “Support efforts to modify NPDES requirements as a way to stimulate business development while still working to improve the quality of the Ocean, Bay, streams, creeks, and other

- waterways.” The Committee wanted to clarify that C/CAG is a strong supporter of environmental protection, and that they believe the NPDES requirements can be crafted to be supportive of both business development and the environment. It was recommended that this objective continue to be C/CAG’s Priority # 1.
- b. Objective 1 – The 5th strategy was augmented to add, “There is insufficient scientific methods to evaluate the benefits of TMDL measures. For that reason C/CAG supports instead the implementation of Best Management Practices (BMPs).
 - c. Objective 2 – This objective was combined with Objective 8 (cost sharing for the Bay Bridge construction) and made Priority # 3.
 - d. Objective 3 – This objective was made Priority # 4.
 - e. Objective 4 – C/CAG Staff was requested to survey the cities/County to determine whether jurisdictions are interested in trading funds to build housing. It was noted that the intent of this objective is to ensure that these housing funds remain within San Mateo County and not get raided by the State, and to develop mutually beneficial cooperative agreements among jurisdictions to promote affordable housing. It was agreed that this objective will require further discussion.
 - f. Objective 5 – This objective was made Priority # 6.
 - g. Objective 6 – This objective was made Priority # 5
 - h. Objective 7 – This objective will be held for consideration at a future time. It does not appear that the climate is right to advocate for congestion pricing at this time.
 - i. Objective 8 – This Bay Bridge financing objective was added to objective 2.
 - j. Objective 9 – It was decided that this list of possible measures to improve the State and local government financing picture should be held and reviewed against what bills get introduced this year. Depending on the legislation that emerges, C/CAG may want to become more active on this issue.
 - k. Objective 10 – This objective was made Priority # 2 and the wording of the Objective was augmented with the words “including the protection of redevelopment funds and programs. Additions to the strategies included:
 - 1) The 20% redevelopment housing set aside is the primary source of housing funds for cities and counties and must be protected and preserved.
 - l. Objective 11 – This objective was augmented to include watching the developments related to the study of restoring the Hetch-Hetchy Valley and removing the dam. Items added to the strategies included:
 - 1) Support efforts to develop incentives for alternative energy and green building programs including reclaimed water.
 - 2) Follow and support the efforts of the PUC to protect our water source.
- It was decided that the Committee would follow bills dealing with these items, but would not assign this Objective a priority number at this point.

The changes to the Legislative Program will be incorporated and brought back to the Committee for review at the next meeting. It was also recommended that the finalized list of priorities be shared with the mayors of all of the cities in the State.

6. Establish date and time for next meeting (January 13, 2005).

The next meeting was tentatively set for January 13, 2005 at 5:00 p.m. at the Fourth Floor Dining Room at the San Mateo County Transit District Office. This date and time will be contingent upon the confirmation of the C/CAG retreat date and time for January.

7. Adjournment.

The meeting was adjourned at 6:52 p.m.